



CONNECTICUT
BUSINESS & INDUSTRY
ASSOCIATION

Testimony of Eric W. Gjede
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Before the Committee on Labor and Public Employees
Hartford, CT
March 5, 2015

Testifying in opposition to SB 914 AAC An Employer's Failure To Pay Wages

Good afternoon Senator Gomes, Representative Tercyak, Senator Hwang, Representative Rutigliano and members of the Labor and Public Employees Committee. My name is Eric Gjede and I am assistant counsel at the Connecticut Business and Industry Association (CBIA), which represents more than 10,000 large and small companies throughout the state of Connecticut.

CBIA opposes SB 914.

SB 914 removes a judge's discretion to award less than double damages in a civil action to collect unpaid regular and overtime wages. In other words, judges already have the ability to impose this hefty fine on the truly bad businesses skirting wage obligations to their employees. I'm not opposing this bill on behalf of those bad actors.

The business that will truly be impacted by this are the one that are acting in good faith. By mandating that double damages be awarded in every case, the effect will be that businesses will be forced to settle wage disputes every time - even when they did nothing wrong. Why? Because if a business doesn't cut its losses and settle, even when in the right, the only other option is to take on the expense of defending themselves through costly litigation. In other words, even when the employer is right, they lose.

Current law allows bad acting employers to be punished appropriately, while allowing good employers the ability to defend themselves when needed.

CBIA urges the committee to take no further action on SB 914.